

**UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF PUERTO RICO**

In re:
THE FINANCIAL OVERSIGHT AND
MANAGEMENT BOARD FOR PUERTO RICO,

as representative of

THE COMMONWEALTH OF PUERTO RICO, *et al.*,

Debtors.¹

PROMESA
Title III

No. 17 BK 3283-LTS

(Jointly Administered)

**This filing relates to the
Commonwealth, HTA, and ERS.**

**REPLY OF THE COMMONWEALTH OF PUERTO RICO, PUERTO RICO
HIGHWAYS AND TRANSPORTATION AUTHORITY, AND EMPLOYEES
RETIREMENT SYSTEM OF THE GOVERNMENT OF THE COMMONWEALTH OF
PUERTO RICO TO RESPONSE FILED BY HECTOR F. VALLEJO MORENO [ECF
NO. 9987] TO ONE HUNDRED TWENTY-THIRD OMNIBUS OBJECTION (NON-
SUBSTANTIVE) TO DEFICIENT CLAIMS ASSERTING INTERESTS BASED ON
SALARY DEMANDS, EMPLOYMENT OR SERVICES PROVIDED**

To the Honorable United States District Judge Laura Taylor Swain:

The Commonwealth of Puerto Rico (the “Commonwealth”), Puerto Rico Highways and Transportation Authority (“HTA”), and Employees Retirement System of the Government of the Commonwealth of Puerto Rico (“ERS,” and together with the Commonwealth and HTA, the “Debtors”), by and through the Financial Oversight and Management Board for Puerto Rico (the

¹ The Debtors in these Title III Cases, along with each Debtor’s respective Title III case number and the last four (4) digits of each Debtor’s federal tax identification number, as applicable, are the (i) Commonwealth of Puerto Rico (the “Commonwealth”) (Bankruptcy Case No. 17 BK 3283-LTS) (Last Four Digits of Federal Tax ID: 3481); (ii) Puerto Rico Sales Tax Financing Corporation (“COFINA”) (Bankruptcy Case No. 17 BK 3284-LTS) (Last Four Digits of Federal Tax ID: 8474); (iii) Puerto Rico Highways and Transportation Authority (“HTA”) (Bankruptcy Case No. 17 BK 3567-LTS) (Last Four Digits of Federal Tax ID: 3808); (iv) Employees Retirement System of the Government of the Commonwealth of Puerto Rico (“ERS”) (Bankruptcy Case No. 17 BK 3566-LTS) (Last Four Digits of Federal Tax ID: 9686); and (vi) Puerto Rico Public Buildings Authority (“PBA”, and together with the Commonwealth, COFINA, HTA, ERS, and PREPA, the “Debtors”) (Bankruptcy Case No. 19-BK-5532-LTS) (Last Four Digits of Federal Tax ID: 3801) (Title III case numbers are listed as Bankruptcy Case numbers due to software limitations).

“Oversight Board”), as the representative of the Commonwealth, HTA, and ERS pursuant to Section 315(b) of the *Puerto Rico Oversight, Management, and Economic Stability Act* (“PROMESA”),² files this reply (the “Reply”) to the letter [ECF No. 9978] (the “Response”) filed by claimant Hector F. Vallejo Moreno (“Claimant”) in response to the *One Hundred Twenty-Third Omnibus Objection (Non-Substantive) of the Commonwealth of Puerto Rico, Puerto Rico Highways and Transportation Authority, and Employees Retirement System of the Government of the Commonwealth of Puerto Rico to Deficient Claims Asserting Interests Based on Salary Demands, Employment or Services Provided* [ECF No. 9558] (the “One Hundred Twenty-Third Omnibus Objection”). In support of this Reply, the Debtors respectfully represent as follows:

1. On December 12, 2019, the Debtors filed the One Hundred Twenty-Third Omnibus Objection seeking to disallow claims that failed to comply with the applicable rules for filing a claim by not providing a basis for asserting the claim against the Commonwealth, HTA, ERS, or any other Title III Debtor (collectively, the “Disallowed Claims”), each as listed on Exhibit A thereto. Each of the Deficient Claims purport to assert liabilities arising from salary or other compensation owed in connection with salary demands, employment, pensions, or services provided by the claimant, but failed to provide critical information, such as the specific services provided, the salary accrued but unpaid, or other information needed to understand what liabilities either the Commonwealth, HTA, ERS, or any other Title III Debtor may owe.

2. Any party who disputed the One Hundred Twenty-Third Omnibus Objection was required to file a response by 4:00 p.m. (Atlantic Standard Time) on January 14, 2020, in accordance with the Court-approved notice attached to the One Hundred Twenty-Third Omnibus Objection as Exhibit C, which was served in English and Spanish on the individual creditors

² PROMESA is codified at 48 U.S.C. §§ 2101-2241.

subject to the One Hundred Twenty-Third Omnibus Objection, the U.S. Trustee, and the Master Service List (as defined in the *Tenth Amended Case Management Order* [ECF No. 8027-1]). *See Certificate of Service* [ECF No. 9621].

3. The Response, an undated, handwritten, Spanish-language letter, was filed with the Court on January 14, 2020, and docketed as ECF No. 9978 on January 15, 2020.³ Therein, Claimant does not dispute that Claimant's proof of claim, which was filed against the Commonwealth on May 30, 2018, and logged by Prime Clerk as Proof of Claim No. 41566 (the "Claim"), purports to assert liabilities arising from employment, but failed to provide critical information regarding the services provided, the salary accrued but unpaid, or other information needed to understand what liabilities the Commonwealth, HTA, ERS, or any other Title III debtor may owe. Instead, the Response appears to state that it is providing the information requested; however, no additional documentation was submitted with the Response.

4. By order dated January 16, 2020 [ECF No. 10045], the Court, *inter alia*, adjourned the hearing on the One Hundred Twenty-Third Omnibus Objection as to Claimant's Claim until March 4, 2020, and directed counsel for the Debtors to meet and confer with Claimant. By email dated January 20, 2020, counsel for the Oversight Board contacted Claimant to inform Claimant that the hearing on the One Hundred Twenty-Third Omnibus Objection as to his Claim had been

³ The Response also addresses a second proof of claim, Proof of Claim No. 41051, which is subject to the *One Hundred Eighth Omnibus Objection (Non-Substantive) of the Commonwealth of Puerto Rico, Puerto Rico Highways and Transportation Authority, and Employees Retirement System of the Government of the Commonwealth of Puerto Rico to Deficient Claims Asserting Interests Based on Salary Demands, Employment or Services Provided* [ECF No. 9558] (the "One Hundred Eighth Omnibus Objection"). The Debtors will address the Response as it relates to the One Hundred Eighth Omnibus Objection in their reply in support of that objection, filed contemporaneously herewith.

adjourned to March 4, 2020, and to initiate the meet and confer process. To date, however, Claimant has not provided the information necessary for the Debtors to evaluate the Claim.

5. Because the Claim remains deficient, the Commonwealth respectfully requests that the Court grant the One Hundred Twenty-Third Omnibus Objection and disallow the Claim in its entirety.

Dated: February 26, 2020
San Juan, Puerto Rico

Respectfully submitted,

/s/ Hermann D. Bauer

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